

**ND TEACHERS FUND FOR RETIREMENT**  
**INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2003**

	February-03				January-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation				Allocation				Allocation				Allocation							
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
AllianceBernstein	22,400,213	2.2%	2.3%	-0.93%	20,485,508	2.0%	2.3%	-2.42%	20,988,434	2.0%	2.3%	3.03%	20,505,017	2.0%	2.3%	-13.56%	-13.91%	-28.98%	-16.11%	N/A
Russell 1000 Growth				-0.46%				-2.43%				7.15%				-15.05%	-11.60%	-26.49%	-16.15%	N/A
Structured Value																				
LSV	45,981,348	4.5%	4.5%	-3.23%	47,714,884	4.6%	4.5%	-2.85%	49,089,958	4.6%	4.5%	6.44%	46,409,231	4.6%	4.5%	-18.29%	-18.24%	2.72%	5.54%	N/A
Russell 1000 Value				-2.67%				-2.42%				9.22%				-18.77%	-15.74%	-8.96%	-4.87%	N/A
Enhanced Russell 1000 Index																				
LA Capital (Wilshire)	45,092,107	4.4%	4.5%	-1.27%	45,817,691	4.4%	4.5%	-2.02%	46,753,950	4.4%	4.5%	6.92%	44,024,480	4.4%	4.5%	-16.27%	-13.40%	-17.00%	N/A	N/A
Russell 1000				-1.55%				-2.42%				8.16%				-16.91%	-13.67%	-17.89%	N/A	N/A
Enhanced S&P 500 Index																				
Northern Trust	43,655,112	4.2%	4.5%	-1.53%	44,473,815	4.3%	4.5%	-2.62%	45,694,064	4.3%	4.5%	8.10%	42,552,156	4.2%	4.5%	-16.71%	-13.66%	-16.98%	N/A	N/A
Strong	44,709,700	4.3%	4.5%	-0.90%	45,303,773	4.4%	4.5%	-2.22%	46,239,413	4.4%	4.5%	10.08%	42,278,303	4.2%	4.5%	-16.75%	-11.19%	-20.23%	N/A	N/A
Westridge	54,817,689	5.3%	4.5%	-1.49%	55,714,485	5.3%	4.5%	-2.62%	56,870,982	5.4%	4.5%	8.52%	52,967,137	5.3%	4.5%	-17.19%	-13.79%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	143,182,500	13.9%	13.5%	-1.32%	145,492,074	14.0%	13.5%	-2.50%	148,804,459	14.1%	13.5%	8.87%	137,797,596	13.7%	13.5%	-16.88%	-12.92%	-18.23%	N/A	N/A
S&P 500				-1.50%				-2.62%				8.44%				-17.28%	-13.96%	-17.98%	N/A	N/A
S&P 500 Index																				
State Street	52,093,510	5.1%	5.3%	-1.49%	53,063,792	5.1%	5.3%	-2.62%	54,491,069	5.2%	5.3%	8.45%	47,996,287	4.8%	5.3%	-17.26%	-13.92%	-17.96%	-9.14%	3.67%
S&P 500				-1.50%				-2.62%				8.44%				-17.28%	-13.96%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	308,749,679	30.0%	30.0%	-1.61%	312,573,949	30.0%	30.0%	-2.50%	320,127,870	30.3%	30.0%	7.69%	296,732,611	29.5%	30.0%	-16.78%	-14.03%	-17.13%	-9.48%	2.68%
S&P 500				-1.50%				-2.62%				8.44%				-17.28%	-13.96%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	96,261,868	9.4%	10.0%	-2.90%	98,600,121	9.5%	10.0%	-2.62%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-19.53%	-11.87%	N/A	N/A
Russell 2000 + 200bp				-2.85%				-2.60%				6.66%				-20.90%	-20.17%	-6.68%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	96,261,868	9.4%	10.0%	-2.90%	98,600,121	9.5%	10.0%	-2.62%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-19.53%	-11.87%	1.18%	1.95%
Russell 2000				-3.02%				-2.77%				6.16%				-21.40%	-21.32%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY																				
Large Cap - Core																				
State Street	36,512,454	3.5%	4.0%	-2.34%	37,396,835	3.6%	4.0%	-4.69%	39,253,302	3.7%	4.0%	4.11%	34,143,227	3.4%	4.0%	-19.99%	-22.47%	-11.74%	-6.76%	-2.26%
MSCI EAFE - 50% Hedged				-2.13%				-4.94%				4.04%				-20.02%	-22.58%	-14.62%	-5.75%	0.27%
Large Cap - Active																				
Capital Guardian	93,485,669	9.1%	10.0%	-2.42%	95,962,864	9.2%	10.0%	-4.68%	100,621,236	9.5%	10.0%	7.35%	89,027,456	8.8%	10.0%	-21.50%	-21.60%	-13.17%	-1.00%	5.76%
Bank of Ireland	18,685,655	1.8%	2.0%	-3.35%	19,377,482	1.9%	2.0%	-5.66%	20,528,497	1.9%	2.0%	7.13%	19,262,251	1.9%	2.0%	-21.60%	-23.42%	N/A	N/A	N/A
Total Large Cap - Active	112,171,324	10.9%	12.0%	-2.57%	115,340,346	11.1%	12.0%	-4.84%	121,149,733	11.5%	12.0%	7.31%	108,289,707	10.8%	12.0%	-21.51%	-21.92%	-12.19%	-0.63%	6.00%
MSCI EAFE - 50% Hedged				-2.13%				-4.94%				4.04%				-20.02%	-22.58%	-14.62%	-5.75%	0.27%
Small Cap - Active																				
Lazard	20,715,686	2.0%	2.0%	-4.06%	21,628,620	2.1%	2.0%	-1.76%	22,000,933	2.1%	2.0%	3.95%	21,591,198	2.1%	2.0%	-17.39%	-19.07%	N/A	N/A	N/A
Wellington	21,345,630	2.1%	2.0%	-0.08%	21,413,835	2.1%	2.0%	-2.58%	21,961,971	2.1%	2.0%	7.10%	20,707,908	2.1%	2.0%	-17.35%	-13.82%	N/A	N/A	N/A
Total Small Cap - Active	42,061,316	4.1%	4.0%	-2.08%	43,042,456	4.1%	4.0%	-2.17%	43,962,904	4.2%	4.0%	5.49%	42,299,106	4.2%	4.0%	-17.37%	-16.49%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.20%				-1.50%				1.85%				-15.30%	-15.20%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	190,745,094	18.5%	20.0%	-2.42%	195,779,637	18.8%	20.0%	-4.24%	204,365,939	19.3%	20.0%	6.24%	184,732,040	18.4%	20.0%	-20.31%	-20.89%	-10.49%	-2.94%	2.40%
MSCI EAFE - 50% Hedged				-2.13%				-4.94%				4.04%				-20.02%	-22.58%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY																				
Capital Guardian	51,834,009	5.0%	5.0%	-1.69%	52,724,088	5.1%	5.0%	-2.21%	53,915,223	5.1%	5.0%	11.72%	48,261,472	4.8%	5.0%	-16.68%	-10.51%	-5.69%	-5.69%	-6.04%
MSCI Emerging Markets Free				-2.70%				-0.44%				10.04%				-16.30%	-10.78%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	10,216,679	1.0%	1.1%	1.80%	10,375,577	1.0%	1.1%	1.01%	10,221,994	1.0%	1.1%	2.49%	11,090,622	1.1%	1.1%	3.66%	9.24%	8.87%	8.93%	8.26%
Lehman Aggregate				1.38%				0.09%				1.57%				4.58%	7.78%	8.62%	8.10%	7.57%
Active Duration																				
WestAM (Criterion)	10,046,124	1.0%	1.1%	1.27%	10,259,591	1.0%	1.1%	0.31%	10,194,930	1.0%	1.1%	2.69%	10,931,445	1.1%	1.1%	2.57%	7.01%	6.00%	7.60%	7.09%
Lehman Aggregate				1.38%				0.09%				1.57%				4.58%	7.78%	8.62%	8.10%	7.57%

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	Allocation				Allocation				Allocation			Quarter Net ROR	Allocation				Net ROR	Net ROR		
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy		Market Value	Actual	Policy	Net ROR				
<b>Index</b>																				
Bank of ND	11,808,471	1.1%	0.9%	1.77%	12,312,831	1.2%	0.8%	0.05%	12,181,504	1.2%	0.8%	1.40%	13,187,654	1.3%	0.8%	5.96%	9.39%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	9,151,356	0.9%	0.9%	0.44%	9,474,970	0.9%	0.9%	0.48%	9,591,548	0.9%	0.9%	1.43%	9,572,281	1.0%	1.0%	1.44%	3.85%	5.79%	5.86%	5.90%
<b>Total Index</b>	<b>20,959,828</b>	<b>2.0%</b>	<b>1.8%</b>	<b>1.40%</b>	<b>21,787,801</b>	<b>2.1%</b>	<b>1.8%</b>	<b>0.17%</b>	<b>21,773,052</b>	<b>2.1%</b>	<b>1.8%</b>	<b>1.38%</b>	<b>22,759,935</b>	<b>2.3%</b>	<b>1.8%</b>	<b>4.78%</b>	<b>7.90%</b>	<b>9.68%</b>	<b>7.81%</b>	<b>7.47%</b>
Lehman Gov/Credit				1.78%				0.00%				1.73%				5.70%	9.44%	8.24%	7.85%	7.47%
<b>Convertibles</b>																				
<b>TCW</b>	<b>9,563,522</b>	<b>0.9%</b>	<b>1.1%</b>	<b>-1.68%</b>	<b>10,504,175</b>	<b>1.0%</b>	<b>1.1%</b>	<b>1.41%</b>	<b>10,316,074</b>	<b>1.0%</b>	<b>1.1%</b>	<b>8.32%</b>	<b>9,817,880</b>	<b>1.0%</b>	<b>1.1%</b>	<b>-9.90%</b>	<b>-2.68%</b>	<b>-21.20%</b>	<b>-2.06%</b>	<b>N/A</b>
First Boston Convertible Index				0.17%				2.58%				9.83%				-8.56%	3.19%	-12.44%	0.11%	N/A
<b>BBB Average Quality</b>																				
<b>Strong</b>	<b>10,349,741</b>	<b>1.0%</b>	<b>1.1%</b>	<b>2.49%</b>	<b>10,468,349</b>	<b>1.0%</b>	<b>1.1%</b>	<b>0.31%</b>	<b>10,387,053</b>	<b>1.0%</b>	<b>1.1%</b>	<b>4.11%</b>	<b>10,832,203</b>	<b>1.1%</b>	<b>1.1%</b>	<b>0.39%</b>	<b>7.45%</b>	<b>3.16%</b>	<b>6.83%</b>	<b>N/A</b>
Lehman BBB				2.28%				0.54%				4.59%				2.70%	10.46%	5.85%	4.75%	N/A
<b>Timberland</b>																				
<b>Evergreen (Wachovia)</b>	<b>9,478,146</b>	<b>0.9%</b>	<b>0.9%</b>	<b>-0.07%</b>	<b>9,807,771</b>	<b>0.9%</b>	<b>0.9%</b>	<b>6.38%</b>	<b>9,179,043</b>	<b>0.9%</b>	<b>0.9%</b>	<b>3.15%</b>	<b>7,873,179</b>	<b>0.8%</b>	<b>0.8%</b>	<b>-0.22%</b>	<b>9.40%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
																	N/A	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>70,614,041</b>	<b>6.9%</b>	<b>7.0%</b>	<b>0.92%</b>	<b>73,203,262</b>	<b>7.0%</b>	<b>7.0%</b>	<b>1.38%</b>	<b>72,072,147</b>	<b>6.8%</b>	<b>7.0%</b>	<b>3.36%</b>	<b>73,305,265</b>	<b>7.3%</b>	<b>7.0%</b>	<b>0.71%</b>	<b>6.51%</b>	<b>2.56%</b>	<b>6.70%</b>	<b>6.56%</b>
Lehman Aggregate				1.38%				0.09%				1.57%				4.58%	7.78%	8.62%	8.10%	7.57%
<b>HIGH YIELD BONDS</b>																				
<b>Western Asset</b>	<b>77,049,993</b>	<b>7.5%</b>	<b>7.0%</b>	<b>1.31%</b>	<b>80,113,029</b>	<b>7.7%</b>	<b>7.0%</b>	<b>2.11%</b>	<b>78,455,727</b>	<b>7.4%</b>	<b>7.0%</b>	<b>7.64%</b>	<b>80,966,050</b>	<b>8.0%</b>	<b>7.0%</b>	<b>-3.24%</b>	<b>7.74%</b>	<b>-6.08%</b>	<b>-3.89%</b>	<b>4.16%</b>
Lehman High Yield Bond Index				1.23%				3.33%				6.74%				-2.93%	8.38%	-3.60%	-2.31%	0.68%
<b>INTERNATIONAL FIXED INCOME</b>																				
<b>International Core</b>																				
<b>UBS Global (Brinson)</b>	<b>56,968,816</b>	<b>5.5%</b>	<b>5.0%</b>	<b>1.70%</b>	<b>56,054,526</b>	<b>5.4%</b>	<b>5.0%</b>	<b>1.89%</b>	<b>54,996,136</b>	<b>5.2%</b>	<b>5.0%</b>	<b>6.06%</b>	<b>58,388,782</b>	<b>5.8%</b>	<b>5.0%</b>	<b>2.39%</b>	<b>12.53%</b>	<b>16.83%</b>	<b>2.39%</b>	<b>2.43%</b>
Salomon Brothers Non-US Gov't Bond Index				1.31%				1.87%				6.06%				2.84%	12.57%	15.72%	3.14%	3.03%
<b>REAL ESTATE</b>																				
<b>JMB</b>	<b>36,416</b>			<b>-33.01%</b>	<b>54,362</b>			<b>-12.84%</b>	<b>62,368</b>			<b>-1.27%</b>	<b>1,034,424</b>			<b>1.94%</b>	<b>-41.24%</b>	<b>0.92%</b>	<b>1.25%</b>	<b>7.60%</b>
INVESCO	60,578,051			0.03%	60,557,322			0.15%	60,467,094			-0.41%	61,479,744			3.78%	3.54%	2.61%	7.70%	N/A
J.P. Morgan	46,552,297			0.39%	46,372,981			0.06%	46,287,042			1.90%	45,423,753			1.64%	4.04%	4.10%	9.60%	11.72%
<b>TOTAL REAL ESTATE</b>	<b>107,166,764</b>	<b>10.4%</b>	<b>9.0%</b>	<b>0.18%</b>	<b>106,984,666</b>	<b>10.3%</b>	<b>9.0%</b>	<b>0.10%</b>	<b>106,816,504</b>	<b>10.1%</b>	<b>9.0%</b>	<b>0.65%</b>	<b>107,937,921</b>	<b>10.7%</b>	<b>9.0%</b>	<b>2.78%</b>	<b>3.73%</b>	<b>3.35%</b>	<b>8.64%</b>	<b>9.66%</b>
NCREIF TOTAL INDEX				0.55%				0.55%				1.67%				1.79%	4.63%	6.79%	9.41%	11.96%
<b>ALTERNATIVE INVESTMENTS</b>																				
Brinson IVCF III	1,508,090			0.00%	1,508,090			0.00%	1,508,090			-16.43%	1,804,611			7.46%	-10.19%	61.30%	112.32%	65.03%
Coral Partners V	10,821,941			0.00%	10,822,047			0.00%	10,761,099			-7.89%	10,994,013			-17.47%	-23.98%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	663,143			0.00%	663,150			0.00%	665,192			-11.88%	767,748			-14.17%	-24.37%	N/A	N/A	N/A
Coral Partners VI	692,240			0.00%	692,247			0.00%	781,393			-21.31%	635,965			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	1,964,589			0.00%	1,964,608			0.00%	1,964,632			-7.89%	2,244,859			-3.97%	-11.55%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,493,282			0.00%	2,493,306			0.00%	2,493,336			-6.50%	2,536,763			-4.67%	-10.86%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,621,590			0.00%	3,621,625			0.00%	3,621,669			-1.66%	3,318,861			-6.93%	-8.48%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	1,023,444			0.00%	1,023,454			0.00%	1,023,467			-1.33%	1,064,380			-1.08%	-2.40%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	686,307			0.00%	686,314			0.00%	686,322			-2.74%	717,702			0.15%	-2.59%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,204,830			0.00%	1,237,397			0.00%	1,237,412			-2.36%	1,192,303			12.07%	9.43%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	1,046,225			0.00%	1,046,236			0.00%	1,046,248			-0.81%	948,421			7.00%	6.13%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	603,075			0.00%	603,075			0.00%	451,303			-1.54%	466,207			-1.47%	-2.99%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	930,606			0.00%	930,615			0.00%	930,626			-0.33%	364,209			N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	6,897,384			0.00%	6,897,447			0.00%	6,425,520			-9.29%	7,204,393			-2.76%	-11.79%	-29.16%	-17.06%	N/A
Matlin Patterson Global Opportunities	11,166,654			0.00%	10,629,772			0.00%	10,629,900			0.00%	9,539,477			N/A	N/A	N/A	N/A	N/A
InvestAmerica	882,482			0.00%	882,491			0.00%	882,502			3.02%	953,948			31.25%	35.21%	N/A	N/A	N/A
Hearthstone	4,756,852			0.00%	4,756,927			0.00%	4,219,682			3.48%	4,972,366			11.34%	15.21%	4.99%	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS</b>	<b>50,962,733</b>	<b>5.0%</b>	<b>5.0%</b>	<b>0.00%</b>	<b>50,307,024</b>	<b>4.8%</b>	<b>5.0%</b>	<b>0.00%</b>	<b>49,328,393</b>	<b>4.7%</b>	<b>5.0%</b>	<b>-3.56%</b>	<b>49,726,227</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-6.36%</b>	<b>-9.69%</b>	<b>-26.09%</b>	<b>10.16%</b>	<b>10.85%</b>
Post Venture Capital Index				-2.21%				0.62%				15.43%				-22.64%	-12.14%	-44.30%	-26.03%	-6.83%
<b>CASH EQUIVALENTS</b>																				
<b>Northern Trust STIF/STEP</b>	<b>18,732,153</b>	<b>1.8%</b>	<b>2.0%</b>	<b>0.05%</b>	<b>15,116,284</b>	<b>1.5%</b>	<b>2.0%</b>	<b>0.25%</b>	<b>16,432,298</b>	<b>1.6%</b>	<b>2.0%</b>	<b>0.42%</b>	<b>10,493,259</b>	<b>1.0%</b>	<b>2.0%</b>	<b>0.68%</b>	<b>1.42%</b>	<b>2.29%</b>	<b>4.72%</b>	<b>5.01%</b>
90 Day T-Bill				0.09%				0.10%				0.43%				0.45%	1.07%	2.63%	4.67%	4.84%
<b>TOTAL FUND</b>	<b>1,029,085,151</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-1.02%</b>	<b>1,041,456,587</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-1.58%</b>	<b>1,057,736,993</b>	<b>100.00%</b>	<b>100.00%</b>	<b>5.35%</b>	<b>1,006,314,110</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-11.98%</b>	<b>-9.67%</b>	<b>-8.88%</b>	<b>-1.83%</b>	<b>3.68%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>-1.12%</b>				<b>-1.66%</b>				<b>6.44%</b>				<b>-13.10%</b>	<b>-10.06%</b>	<b>-9.26%</b>	<b>-3.00%</b>	<b>3.29%</b>

NOTE: Monthly returns and market values are preliminary and subject to change.